

FILED

MAY 27 2009

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

**EUGENE R. WEDOFF,
BANKRUPTCY JUDGE**

In re:)
)
) **Case No. 05 B 61546**
) **CHRISTOPHER AND SUZANNE**
) **SALVINO**
)
) **Chapter 7**
) **Debtors.**
)

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
LEVENFELD PEARLSTEIN LLC, ATTORNEYS FOR THE TRUSTEE, FOR ALLOWANCE AND
PAYMENT OF FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED:	\$6,150.00	TOTAL COSTS REQUESTED:	\$216.79
TOTAL FEES REDUCED:	\$311.00	TOTAL COSTS REDUCED:	\$73.49
TOTAL FEES ALLOWED:	\$5,839.00	TOTAL COSTS ALLOWED:	\$143.30

TOTAL FEES AND COSTS ALLOWED: \$5,982.30

THE COURT HAS MARKED THE ATTACHED TIME AND EXPENSE ENTRIES THAT HAVE BEEN DISALLOWED IN WHOLE OR IN PART. THE BASIS FOR EACH DISALLOWANCE IS DISCLOSED BY THE NUMERICAL NOTATION THAT APPEARS ON THE LEFT SIDE OF EACH HIGHLIGHTED ENTRY. THE NUMERICAL NOTATIONS REFER TO THE ENUMERATED PARAGRAPHS BELOW.

(1) Unreasonable Time

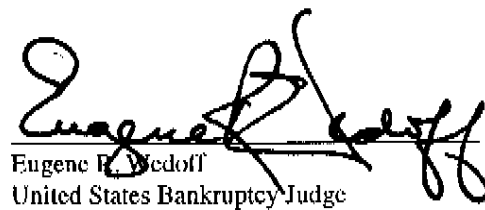
The Court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. *In re Pettibone*, 74 B.R. 293, 306 (Bankr. N.D. Ill. 1987) ("The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project... An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate."); *In re Wildman*, 72 B.R. 700, 713 (Bankr. N.D. Ill. 1987) (same).

As to the time devoted to the preparation of the fee application itself, the Court denies the allowance of compensation that is disproportionate to the total hours in the main case. *In re Wildman*, 72 B.R. 700, 711 (Bankr. N.D. Ill. 1987) ("In the absence of unusual circumstances, the hours allowed by this Court for preparing and litigating the attorney fee application should not exceed three percent of the total hours in the main case."); *In re Spanjer Bros., Inc.*, 203 B.R. 85, 93 (Bankr. N.D. Ill. 1996) (compensation limited to 5%). See also *In re Pettibone Corp.*, 74 B.R. 293, 304 (Bankr. N.D. Ill. 1987) (citing *Coulter v. State of Tennessee*, 805 F.2d 146, 151 (6th Cir. 1986) (in non-bankruptcy cases, compensation for preparation and litigation of fee petitions limited to 3-5% of the hours of the main case)).

(2) Overhead Costs are Non-Compensable

The Court denies reimbursement for fees or expenses that are overhead costs. Expenses which are overhead are not compensable because they are built into the hourly rate. See *In re Wildman*, 72 B.R. 700, 731 (Bankr. N.D. Ill. 1987). Overhead, for bankruptcy purposes, includes "all continuous administrative or general costs or expenses incident to the operation of the firm which cannot be attributed to a particular client or cost." *In re Convent Guardian Corp.*, 103 B.R. 937, 939-40 (Bankr. N.D. Ill. 1989) (quoting *In re Thacker*, 48 B.R. 161, 164 (Bankr. N.D. Ill. 1985)).

Dated: May 27, 2009


Eugene R. Wedoff
United States Bankruptcy Judge

Transactions Bankruptcy Fee Application

matter id = '35554-65491' and costs and wip and extended amount is > 0

		MatterID/Client Sort			
		Matter Description			
Date	Prof	Narrative	Units	Price	Value
7/31/2006		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	1.00	0.10	0.10
7/31/2006		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Messenger Delivery Service	1.00	20.00	20.00
8/25/2006		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Long Distance Telephone	1.00	1.50	1.50
8/30/2006		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	59.00	0.10	5.90
10/19/2006		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	12.00	0.10	1.20
2/2/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	2.00	0.10	0.20
2/2/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	2.00	0.10	0.20
2/2/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Duplicating Charges	2.00	0.10	0.20
3/7/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Long Distance Telephone	1.00	0.70	0.70
3/7/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Westlaw On-line Database	1.00	73.49	73.49

#2

7/22/2008		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE	1.00	15.00	15.00
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Pacer - Bankruptcy Database Search Fee

Component Type: Soft Costs 786.00 188.79

Component Type: Hard Costs

3/7/2007		35554-65491 / Szilagyi as Trustee SALVINO, CHRISTOPHER & SUZANNE Advance Governmental Filing/Document Retrieval Fees	1.00	28.00	28.00
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Transactions Bankruptcy Fee Application

matter id begins with '35554-65491.001' and fees and extended amount is > 0

		MatterID/Client Sort			
		Matter Description			
Date	Prof	Narrative	Units	Price	Value
5/1/2006	BAL	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Preparation of Application to Employ Legal Counsel and Motion for Entry of Order Approving Abandonment for e-filing by conversion of same into PDF; e-filing of same.	0.60	150.00	90.00
4/27/2006	GS	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Run conflicts check and draft application to employ LP.	0.50	350.00	175.00
5/1/2006	GS	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Revise application to employ LP; draft affidavit, notice and order.	0.50	350.00	175.00
5/16/2006	BAL	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Transfer pdf copies of motion to local drive in preparation for electronic filing (.10); e-filing of motion to employ accountant (.30); prepare facsimile cover sheet forwarding copies of motion to necessary parties (.20); docket hearing date (.10)	0.70	150.00	105.00
5/18/2006	GS	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Appear in court re applications to employ counsel and accountant and motion to abandon condo.	1.00	350.00	350.00
4/4/2007	YCP	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Review and categorize prebill	0.50	160.00	80.00
7/22/2008	AAB	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Review of time entries from inception of matter through today's date and began categorizing the same including conforming all time entries and costs to Local Rule approved entries. Began drafting First Interim Fee Application; Researched all counsel of record required for Notice of Application.	2.50	180.00	450.00
7/24/2008	AAB	35554-65491.001 / Szilagyi as Trustee FEE/ EMPLOYMENT APPLICATIONS Continued work on LP Fee Application including preparation of spreadsheets for categorized time along with preparation of supporting documents for Application, i.e. Cover Sheet, Order and Notice of Motion.	1.00	180.00	180.00
Grand Total			7.30		1,605.00

#1 capped @ 50%